

OCA 3205-89

## OFFICE OF CONGRESSIONAL AFFAIRS

### Routing Slip

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	ACTION	INFO
1. D/OCA		x
2. DD/Legislation	x	
3. DD/Senate Affairs		x
4. Ch/Senate Affairs		
5. DD/House Affairs		x
6. Ch/House Affairs		
7. Admin Officer		
8. FOIA Officer		
9. Constituent Inquiries Officer		
10. <i>DD/OCA</i>		x
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*14Sep89*

Date

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Name/Date

*completed* ☐ *14 Sept 89*



EXECUTIVE OFFICE OF THE PRESIDENT  
OFFICE OF MANAGEMENT AND BUDGET  
WASHINGTON, D.C. 20503  
SEPTEMBER 14, 1989

*Leg*  
**URGENT**

LEGISLATIVE REFERRAL MEMORANDUM

OCA 3205-89

TO: Legislative Liaison Officer -

National Security Council (Hughes x3723)  
Department of Justice (Perkins 633-2113)  
Department of State (Bachrach 647-4463)  
Central Intelligence Agency [ ] 482- [ ]  
Department of Defense (Brick 697-1305)

249  
217  
225  
258  
325

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SUBJECT: Draft Statement of Administration Policy on H.R. 1495,  
"Arms Control and Disarmament Agency (ACDA)  
Authorization."

NOTE: We have attached for your information, a paper prepared by the minority staff of HFAC that explains the substance and rationale for the bill going to the House Floor on Tuesday.

The Office of Management and Budget requests the views of your agency on the above subject before advising on its relationship to the program of the President, in accordance with OMB Circular A-19.

A response to this request for your views is needed no later than 3:00 P.M., THURSDAY, SEPTEMBER 14, 1989.

Questions should be referred to **SUE THAU/ANNETTE ROONEY** (395-7300), the legislative analyst in this office.

*Ronald K. Peterson*

RONALD K. PETERSON FOR  
Assistant Director for  
Legislative Reference

Enclosure

cc: T. Thiele  
A. Donahue  
C. Beebe

C.B. Gray  
K. Scheid



EXECUTIVE OFFICE OF THE PRESIDENT  
OFFICE OF MANAGEMENT AND BUDGET  
WASHINGTON, D.C. 20503  
SEPTEMBER 14, 1989

*Fax 6p2*  
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**A. Jurisdiction**

The Committee on Foreign Affairs considers OSIA an arms control agency and therefore the committee expressed its jurisdictional right to authorize funds for OSIA and exercise oversight over its activities. Title II of H.R. 1495 is the exercise of this jurisdictional claim. The Armed Services Committee believes that because OSIA is an agency of the Department of Defense and because OSO dollars are used to finance its activities, the Armed Services Committee should have jurisdiction over OSIA.

The Committee on Armed Services requested sequential referral of H.R. 1495 and subsequently struck the OSIA provisions of the bill. A subsequent agreement was reached between Chairman Farnsworth and Chairman Aspin. The authorization of funds for OSIA has been dropped from H.R. 1495. The policy language is retained. Chairman Aspin will support the bill and vote for passage.

**B. Current OSIA languages in H.R. 1495: Role of ACDA Director**

Currently, ACDA has a dedicated management/policy position in OSIA, the Principal Deputy Director. While this does enable ACDA to be involved in the day to day operations of OSIA, it does not give ACDA a major policy input. The Director of OSIA currently receives his senior level policy guidance at a monthly meeting with the Chairman of the Joint Chiefs of Staff, the Undersecretary of Defense Acquisitions, and the Undersecretary of Policy (both are DOD representatives). The committee believes that the Director of ACDA should participate along with these Department of Defense officials in the monthly policy guidance meetings and provide appropriate directions to OSIA in the arms control policy area. Section 201 of Title II reflects this change.

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## B. Working Group

Title I (Sec. 103) now states the President "should establish" a working group: 1) to examine the verification approaches to a strategic arms reduction agreement and other arms control agreements; and 2) to assess the relevance of the verification provisions of the INF Treaty for such agreements.

\*\* Originally the Administration expressed its objection to this provision of Title I indicating that such working groups already exist within the Executive branch and that such language is unnecessarily duplicative and restraining. \*\*

\*\* This language has been changed to meet Administration concerns. \*\*

## C. Compliance Bureau

To enhance ACDA's responsibility for the implementation of arms control agreements (including the INF Treaty) Section 102 of Title I states the ACDA Director should prepare a report on Implementation and Compliance Resolution Bureau in ACDA.

\*\* Initially the Administration expressed its reservations regarding what it viewed as Congress dictating the establishment of such an implementation and compliance bureau. \*\*

\*\* The language of this provision has been changed to meet Administration concerns.

Congressman Hyde, the author of this language, believes this is a meritorious provision of Title I, and focuses on what has traditionally been a fundamental Republican concern: verification and compliance issues. This provision is particularly necessary in view of the wide array of possible future arms control agreements and the increasingly technical complexity of verification regimes. Additionally, it is important to note that the provision simply recommends that a report should be prepared indicating the advisability of establishing such a bureau. There is no requirement that such a bureau or unit be created.

## II. On-Site Inspection Agency Policy Language (Title II)

\*\* The Administration objects to Title II regarding the On-Site Inspection Agency \*\*

Title II contains policy language regarding the On-Site Inspection Agency (OSIA). OSIA is responsible for implementing the on-site inspection provisions of the INF treaty.

## **I. ACDA Authorization (Title I)**

### **A. Funding Levels**

**\*\* The Administration objects to the Committee's recommendation for the FY 1990-91 funding levels. \*\***

AFTER reviewing the FY 1990 Administration budget request for ACDA, the Committee recommended a funding level of \$35.881 million, which was an increase of \$2 million over the Administration's request. (The FY 1991 request was for such sums as necessary.)

The Committee's recommendation to increase ACDA's budget by \$2 million over the Administration's request reflected a general concern that such an increase was necessary to enhance ACDA's ability to carry out its responsibilities for formulating and implementing U.S. arms control policy and for verifying existing and future arms control agreements. It was also in response to the ACDA Inspector General report which was critical of ACDA's verification analysis capabilities.

More specifically, the recommendation to increase ACDA's budget focused on three areas: a need for additional personnel to support new and ongoing negotiations and ACDA's verification policy and compliance responsibilities; greater resources for external research particularly in the area of new verification technology; and expanded computer capabilities designed to support U.S. arms control negotiations particularly in the verification scenario area.

#### **Key points:**

- The additional funding for ACDA is specifically for areas which ACDA itself had identified as serious weaknesses within the agency:
  - verification research;
  - additional negotiating and verification analysis personnel;
  - computer resources necessary to support arms control negotiations, particularly in the verification scenario area; and,
- Within its scheme of the flexible freeze, the Administration had already identified ACDA as an agency that should receive additional resources (the FY 90 request level was an increase over FY 89). Accordingly, the Committee's recommendation was consistent with the Administration's general position that ACDA was an agency which warranted additional resources in FY 90.

**Committee on Foreign Affairs****September 13, 1989****MEMORANDUM**

**TO:** The Honorable William S. Broomfield

**FROM:** William B. Ingles *WBI*  
Minority Director for National Security Affairs

**SUBJECT:** Status of ACDA Authorization Legislation, H.R. 1495

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Next week the House is scheduled to consider, under suspension of the rules, H.R. 1495, the FY 1990-91 authorization bill for the Arms Control Disarmament Agency (ACDA). The Administration has expressed reservations about certain aspects of the bill and the Committee on Armed Services raised certain jurisdictional concerns.

Several changes have been made in H.R. 1495 as reported to meet Administration concerns. For example, two mandatory requirements for an ACDA report and Special Verification Working Group were made discretionary. The authorization of funds for the On-Site Inspection Agency was also dropped.

The bill adds funds for:

- additional personnel for new negotiations and to strengthen the verification bureau;
- research, particularly in the area of verification; and
- computer resources to support negotiations.

A compromise was also reached between Chairman Farnsworth and Chairman Aspin regarding Armed Services Committee jurisdiction over OSIA funds. The authorization language for OSIA was therefore dropped. Chairman Aspin now supports the bill and will vote for it.

September 14, 1989  
(House)

H.R. 1495 - Arms Control and Disarmament  
Agency (ACDA) Authorizations  
(Fascell (D) Florida and 12 others)

The Administration opposes House passage of H.R. 1495, and urges that it not be considered under suspension of the rules. The Administration recommends that the bill be amended to delete Title II, which would establish statutorily the structure and policy-making mechanisms of the On-Site Inspection Agency (OSIA).

This provision is unnecessary because there is sufficient discretionary authority to organize ACDA and OSIA to effectively carry out arms control activities. H.R. 1495 would infringe on the President's authority to organize the Executive branch. Unless Title II is deleted from the bill the Secretary of Defense would recommend that the President veto it.